

Keeping America's Navy #1 in the World



CORPORATE STRATEGY





Mission

Keeping America's Navy #1 in the world
by providing the Navy operationally superior and affordable ships,
systems and ordnance throughout their life cycle...
for today, for tomorrow, for the Navy after next.

Vision

A unified NAVSEA corporation
providing the world's best technical,
acquisition, and life cycle
support leadership.

Guiding Principles

- ▶ Think Fleet
- ▶ Workforce Excellence
- ▶ Corporate Teamwork
- ▶ Principled Leadership

Introduction

G. P. NANOS, JR. — VICE ADMIRAL, UNITED STATES NAVY

After nearly three years of working with an excellent Strategic Plan, it was time for NAVSEA leadership to review our progress and update that Strategic Plan into our new Corporate Strategy. This update reflects what we have learned from focusing on our core equities and business processes, reaching a more mature level of understanding.

In addition to this, the new Chief of Naval Operations, Admiral Vern Clark, has outlined five top priorities for the Navy: manpower, current readiness, future readiness, quality of service, and Navy-wide alignment. NAVSEA's new Corporate Strategy is a good fit with his priorities. Our "customer service, second to none" approach and our concept of a single NAVSEA corporation directly supports the CNO's vision.



Our new mission statement highlights our new Corporate Value Statement, *Keeping America's Navy #1 in the World*. We also added "...for today, for tomorrow, for the Navy after next" to focus on the whole spectrum. Our Corporate Vision remains focused on developing a single, unified corporation where our many commands are aligned and working together.

With the idea that profound thoughts are simple and elegant, we wanted to keep our basic guiding principles clear— Think Fleet, Workforce Excellence, Corporate Teamwork, and Principled Leadership. These are the fundamentals that we've really been talking about and working on, so it makes sense that we make them the key principles for our Corporate Strategy.

We have refocused our goals a bit. Our People and Customers goals appropriately have the top spots, followed by five other strategic goals— Knowledge Management, Business Processes, Engineering, Future Concepts, and Integrated Product Support. These goals, and the strategies to support them, were selected so that NAVSEA's line organizations can work to integrate them into our normal way of doing business, day to day.

The complexities of NAVSEA's core businesses, and the pace of change in an increasingly complex world, require the skills of managing the change of today while anticipating the change of tomorrow. Our Corporate Strategy is an important tool to articulate the vision, fulfill the mission, and refine the principles and goals to benefit both our team members and our customers. It is said that "where there is no vision, the people perish." This Corporate Strategy provides that vision, augmented with direction, tactical focus, and strategic insight. NAVSEA is a maturing corporate body with exceptional people serving a Navy and a Nation who are #1 in the world.

A stylized, handwritten signature in blue ink that reads "G. P. Nanos, Jr."

G. P. Nanos, Jr.
Vice Admiral, United States Navy
Commander, Naval Sea Systems Command

People

STRATEGIC GOAL: THE BEST PEOPLE DOING THE RIGHT JOB.



STRATEGIES:

- ▶ Provide a safe, high quality work environment.
- ▶ Identify and nurture skill sets required for core equities.
- ▶ Deploy effective and competitive recruitment techniques.
- ▶ Develop a diverse, mobile workforce which is recognized and rewarded for outstanding performance.
- ▶ Create an environment in which our people are accountable and responsible for their actions, are intolerant of poor performance, and do not accept abnormal results, products, or processes as normal.
- ▶ Provide and encourage development and educational opportunities for career growth.

EXPLANATION:

This goal succinctly connects NAVSEA professionals to mission fulfillment. By “the best people,” we are highlighting our people who are motivated and committed to NAVSEA’s mission. And, in focusing on NAVSEA professionals “doing the right job,” we mean people serving the Fleet, sustaining NAVSEA’s core equities.

Recruiting “the best people” begins with identifying NAVSEA’s current and future needs, along with the skills required to meet those needs. Then, we must recruit aggressively in competition with other Government agencies and private industry for the best people.

Excellence and a commitment to excellence are hallmarks of NAVSEA’s workforce. Each member of our workforce is challenged to strive to do their very best, accepting nothing less personally or from co-workers. We challenge what always may have been accepted as the “norm” or “that’s the way we have always done it.” That means questioning everything that seems sub-standard (“good enough for Government work”) and not accepting “abnormal as normal.”

As NAVSEA professionals, we must aspire to be challenged and grow. More than just training, this involves seeking new challenges, taking measured risks, and achieving success. We must encourage and lead our people to recognize areas for growth, and then actively work with them to achieve their personal and professional success.



Customers

STRATEGIC GOAL: CUSTOMER SERVICE, SECOND TO NONE.



STRATEGIES:

- ▶ Make our customers successful.
 - Anticipate, understand, and respond to customers' needs.
 - Align and team with the Fleet and OPNAV customers, and with suppliers and stakeholders.
- ▶ Deliver best value products and services.
- ▶ Communicate effectively in a timely manner.

EXPLANATION:

Successful customers are happy people and long-term friends. The NAVSEA/PEO Team desires to create satisfied customers who will select NAVSEA as their preferred service provider every time. New tasks for customers require some learning, but many tasks for customers are well known and invite anticipation of the Fleet's needs. Anticipating, understanding, and responding to Fleet needs is exactly where NAVSEA should excel. Furthermore, the name NAVSEA will be equally well known for quality and service, along with USAA, LL Bean, Sony, Ritz-Carlton, and Saturn.

The Fleet and Navy Staff (OPNAV and SECNAV) are our primary customers from whom our mission is derived. This goal applies to all of our customers, including Foreign Military Sales, our sister military services, the Executive and Legislative Branches, other Government agencies, and the American people.

To achieve success, NAVSEA must anticipate by thinking from the customer's perspective and proposing solutions, understand by communicating to really know our customers' needs, and respond by providing service in a timely and cost effective manner.

Only by knowing our customers and providing the products and services they need at best value, can we truly succeed. This includes weighing cost, schedule, and performance perspectives.

Communication with our customers and among ourselves is key, especially when financial, technical, or other constraints limit what we can provide a customer. "Customer Service, Second to None" is the only standard that fulfills this goal.



Knowledge Management

STRATEGIC GOAL: THE RIGHT KNOWLEDGE FOR THE RIGHT PEOPLE AT THE RIGHT TIME.



STRATEGIES:

- ▶ Create a culture that treats knowledge as a corporate asset.
- ▶ Identify and integrate the intellectual capital to turn information into knowledge.
- ▶ Provide the right tools and processes to leverage corporate knowledge.
- ▶ Train people how to increase existing knowledge through sharing, integration, and alignment.
- ▶ Safeguard corporate knowledge as appropriate.

EXPLANATION:

Properly organizing people, technology, and data can ensure the corporation has useful, accurate information available the instant it is needed. The synergy created by combining technology with disciplined actions in communication and information sharing is the key to Knowledge Management.

Gone is the old paradigm of “information is power.” Knowledge and its management are dominant now. This means that NAVSEA must combine structured information systems with the experience and career knowledge of employees for the Corporation to be successful. By creating a culture that recognizes the need to organize and share this knowledge, we maximize our individual and corporate potential.

When “information” is evaluated, applied, and shared, then it becomes knowledge. Our team members must learn how to provide that knowledge exactly when it is needed. That is true Knowledge Management, and it provides a useful answer to the customer’s need.

NAVSEA has unique knowledge that must be managed carefully, safeguarded, and protected to ensure our national security. Proper Knowledge Management requires safe handling of classified, business sensitive, and privacy-related information. Knowledge Management must be a force multiplier for the NAVSEA/PEO Team in order for us to succeed in the 21st century.



Business Processes

**STRATEGIC GOAL: EXCELLENCE, INNOVATION, AND CONTINUOUS IMPROVEMENT
TO ATTAIN THE BEST RESULTS AT THE LOWEST PRICES.**



STRATEGIES:

- ▶ Ensure effective and timely involvement of Fleet and OPNAV customers, with suppliers and stakeholders, in our business processes.
- ▶ Encourage innovation and managed risk taking.
- ▶ Use knowledge of best processes to provide a uniform NAVSEA-wide basis upon which to build continuous improvement in cost and performance.
- ▶ Focus on price and total life-cycle ownership cost.
- ▶ Consistent with our core equities, use business and process reengineering to refine our processes and reduce our business costs.

EXPLANATION:

NAVSEA's business processes are the steps which work to deliver products and services to our Fleet and Navy staff (OPNAV and SECNAV) customers. Communicating with NAVSEA customers, stakeholders, and suppliers will ensure they understand that our improved business processes are of value, that they can integrate our processes with theirs, and that improvements mean both reduced cycle times and total costs.

Global business has taught us the need for constant improvement and innovation to achieve excellence. The key to success is the use of tested, best practices which are tailored to NAVSEA's environment and the customers' needs. Thinking "outside the box" often brings innovation and advancement in improved processes. Carefully analyzing and managing risk associated with "continuous improvement" will avoid unnecessary problems and delays. The business rule is that we cannot become complacent.

This means that NAVSEA must develop a culture that manages constant change. This requires regular sharing of successful best processes and of lessons learned throughout the Corporation. The benefits from these experiences will result in major improvements in process reengineering, development of response to change, and reductions in costs over the life-cycle of our products.

Encouraging innovation and a continued focus on NAVSEA's core equities, coupled with processes such as business process reengineering, will expand our reach for excellence and continually improve our abilities to provide products and services at reduced costs, thus "Keeping America's Navy #1 in the World."

Engineering

STRATEGIC GOAL: DISCIPLINED ENGINEERING RIGOR, PROCESS, AND VALIDATION TO PROVIDE SAFE, EFFECTIVE, AFFORDABLE SYSTEMS.



STRATEGIES:

- ▶ Develop and maintain common interoperable systems that optimize cost, schedule, performance, and life cycle support.
- ▶ Provide engineering and maintenance support for legacy and emerging systems.
- ▶ Engineer solutions to reduce total ownership cost for PEOs and Fleet customers.
- ▶ Engineer solutions to warfighting requirements.
- ▶ Reinforce the NAVSEA corporate role in the certification of legacy systems, new product design, and system interoperability for suitability and safety.
- ▶ Deploy a disciplined systems engineering approach throughout the corporation.

EXPLANATION:

Engineering with rigor and validated processes emphasizes systems which are both common and interoperable.

As NAVSEA professionals engineer solutions to meet the Fleet's requirements, our goal is to identify and implement safe, effective, and affordable systems. Reducing total ownership cost (TOC) has become a way of doing business for NAVSEA. This requires providing engineering and maintenance support for both emerging systems and legacy systems.

The intent of the prior TOC strategic goal should continue to warrant very strong emphasis when developing the business objectives for each of the Engineering strategies. Reducing TOC has become a way of doing business for us, and as we engineer solutions to meet the Fleet's requirements, reducing TOC must be a continuing concern and focus.

The strategies and the discipline we apply in implementing our engineering business objectives will help reinforce NAVSEA's role in certification of legacy systems, new product design, and system interoperability for suitability and safety.

Future Concepts

STRATEGIC GOAL: SHAPE THE FUTURE NAVY THROUGH ROBUST DEVELOPMENT AND TRANSITION OF CONCEPTS AND TECHNOLOGY AS A CONTINUUM ACROSS PROGRAMS.



STRATEGIES:

- ▶ Forge partnerships with Science and Technology (S&T) and Research and Development (R&D) sponsors to:
 - Influence 6.2/6.3 investment across platforms.
 - Participate in Integrated Warfare Architecture Science and Technology, and Office of Naval Research (Future Naval Capabilities).
- ▶ Enhance warfare analysis and simulation capability to conceptualize future Naval warfighting concepts.
 - Institutionalize technical support for Strategic Studies Group and Naval War College/Naval Warfare Doctrine Command.
- ▶ Create, develop, and transition innovative warfighting technologies.
- ▶ Form strategic alliances with industrial partners and academia.
 - Shape industry Independent Research and Development.
 - Capitalize on linkages to academic institutions.
 - Exploit industry and other services' R&D.
- ▶ Directorates and PEOs establish an R&D continuum.
- ▶ Foster innovation of shipbuilding and maintenance technologies for improved throughput and more cost effective repairs.
- ▶ Focus on critical Navy and Marine Corps unique technologies that have minimum commercial impact.

EXPLANATION:

Our Navy's future depends on S&T and R&D, which can produce capable forces for the Future Navy and the Navy After Next.

Three important areas pertain, including:

1. Forming internal and external alliances and partnerships for NAVSEA to ensure that we share concepts, ideas, development efforts, and transition of innovative technologies in developing the Navy After Next.
2. Leveraging our current and future corporate capabilities for Naval warfighting concepts for the "Navy After Next" by nurturing NAVSEA core equities and focusing on our unique technologies. This includes shipbuilding, maintenance, logistics, engineering, ordnance, and weapons systems, as well as our infrastructure support in contracting, strategic and business planning, legal matters, and comptroller functions.
3. Focusing on innovation throughout NAVSEA, including sharing and development of knowledge, ideas, and concepts from the alliances and partnerships we forge, and ensuring we support NAVSEA core equities.

Integrated Product Support

**STRATEGIC GOAL: EFFECTIVE, TIMELY, AFFORDABLE
INTEGRATED PRODUCT SUPPORT FOR THE FLEET.**



STRATEGIES:

- ▶ Reinforce configuration control discipline.
 - Improve component standardization across platforms.
- ▶ Support obsolete deployed products.
- ▶ Reengineer product support.
 - Explore pooling maintenance and modernization execution funds, and hold manager accountable.
 - Have a stronger focus on engineering for reduced maintenance and logistics in acquisition.
 - Strengthen ORD availability/suitability requirements.
 - Develop definitions, implementation strategy, and business rules for FSC/CLS.
 - Develop strategy for customized support packages for commercial-off-the-shelf products.
 - Establish integrated data environment.
- ▶ Identify a set of standard logistics products, processes, and tools. Use and continuously improve them.
- ▶ Improve material/parts availability.

EXPLANATION:

NAVSEA plays the critical role in supporting our products to our primary customer, the Fleet. To provide proper support to these products, our efforts must be integrated throughout the Corporation and communicated using one message from many voices in working with the Fleet.

Key to the success of integrated product support is having current, accurate knowledge of product configuration. Maintaining disciplined configuration control is critical in order for people to have basic knowledge to approach interoperability, maintenance, and repair issues. This also is true for obsolete legacy systems which still require support. They will demand unique and creative efforts until they are gone.

The Secretary of Defense is leading an effort to reinvent product support. NAVSEA must actively participate in this reengineering effort, as well as lead the way in reengineering NAVSEA's product support processes. This reinvention will strengthen our ability to provide the product support the Fleet expects and deserves as we select the best of breed and then continuously improve the standards. We will make the changes necessary to deliver what we promise and when we promise it—performing beyond expectations.

The NAVSEA Corporation

The Naval Sea Systems Command (NAVSEA) is presently located in Arlington, Virginia. The Command will relocate to the Washington Navy Yard in the District of Columbia in January 2001. NAVSEA, the largest of five U.S. Navy systems commands, is the Navy's ship-systems program manager, engineer, and technical authority. As such, NAVSEA relies upon nearly 50,000 Sailors and civilians, along with thousands of private industry contractors, to design, develop, build, and maintain the United States Naval Fleet—both its ships and their shipboard weapons and combat systems.

NAVSEA's team of engineers, naval architects, scientists, technicians, craftsmen, and administrative staff manages

well over 100 acquisition programs, and provides engineering support, technical authority, and logistics support to the Fleet via six affiliated program executive offices (PEOs) (Aircraft Carriers, Surface Strike, Expeditionary Warfare, Mine & Undersea Warfare, Submarines, and Theater Surface Combatants); four Naval shipyards; nine Supervisors of Shipbuilding, Conversion, and Repair; the Naval Surface Warfare Center; the Naval Undersea Warfare Center; the Naval Ordnance Safety and Security Activity; the Naval Sea Logistics Center; headquarters operations; and a number of smaller organizations. NAVSEA also administers more than 1,400 foreign military sales cases involving approximately 80 countries and four NATO organizations.

CALIFORNIA

SUPSHIP San Diego
NSWC Port Hueneme Division
Naval Warfare Assessment
Station - Corona
Naval Sea Logistics Center - Concord

CONNECTICUT

SUPSHIP Groton

FLORIDA

Navy Experimental Diving Unit -
Panama City
SUPSHIP Jacksonville
NSWC Dahlgren Division/Coastal
Systems Station Panama City

HAWAII

Pearl Harbor Naval Shipyard and
Intermediate Maintenance Facility
SUPSHIP San Diego Detachment
Pearl Harbor

IDAHO

NSWC Carderock Division/Bayview
Detachment

INDIANA

NSWC Crane Division

LOUISIANA

SUPSHIP New Orleans

MAINE AND NEW HAMPSHIRE

Portsmouth Naval Shipyard
SUPSHIP Bath
Submarine Maintenance, Engineering,
Planning and Procurement -
Portsmouth

MARYLAND

NSWC Carderock Division
NSWC Indian Head Division
Naval Explosive Ordnance Disposal
Technology Division - Indian Head
Naval Ordnance Safety and Security
Activity - Indian Head

MASSACHUSETTS

Boston Planning Group

MISSISSIPPI

SUPSHIP Pascagoula

NEW JERSEY

SUPSHIP Portsmouth Detachment
Colts Neck
AEGIS Technical Representative -
Moorestown

PENNSYLVANIA

Naval Sea Logistics Center -
Mechanicsburg
NSWC Carderock Division/Naval Ship
Systems Engineering Station -
Philadelphia
Naval Foundry & Propeller Center -
Philadelphia
Shipbuilding Support Office -
Philadelphia

RHODE ISLAND

NUWC Headquarters
NUWC Newport Division

SOUTH CAROLINA

Naval Nuclear Power Training Unit -
Goose Creek

TENNESSEE

NSWC Carderock Division
Detachment Memphis

TEXAS

SUPSHIP Jacksonville Detachment
Ingleside

VIRGINIA

Aegis Training and Readiness Center -
Dahlgren
SUPSHIP Portsmouth
SUPSHIP Newport News
Norfolk Naval Shipyard
NSWC Dahlgren Division
NSWC Port Hueneme Division/Dam
Neck
Naval Inactive Ship Headquarters -
Portsmouth

WASHINGTON

NUWC Keyport Division
Puget Sound Naval Shipyard
SUPSHIP Puget Sound

WASHINGTON, DC, METROPOLITAN AREA

NAVSEA Headquarters and
Program Executive Offices
NSWC Headquarters

KEY

NSWC – Naval Surface Warfare Center
NUWC – Naval Undersea Warfare Center
SUPSHIP – Supervisor of Shipbuilding,
Conversion, and Repair



NAVAL SEA SYSTEMS COMMAND

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